



STATE OF IOWA

TERRY E. BRANSTAD, GOVERNOR
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DEPARTMENT OF HUMAN SERVICES
CHARLES M. PALMER, DIRECTOR

INFORMATIONAL LETTER NO. 1009

DATE: May 17, 2011

TO: Iowa Medicaid Nursing Facilities

ISSUE BY: Iowa Department of Human Services, Iowa Medicaid Enterprise (IME)

RE: Civil Money Penalty Quality Improvement Initiative Grant (CMPQII)

The purpose of this Informational Letter is to announce the availability of the Quality Improvement Initiative Grant and provide you with a copy of the Quality Improvement Initiative Grant Application form 470-4869.

Section 1919 of the Social Security Act and Iowa Code section 249A.19 allows the department to impose civil money penalties when a health care facility is not in substantial compliance with one or more participation requirements. These penalties may range from \$50 to \$10,000 per day, depending on the kind of deficiency recorded by the Department of Inspections and Appeals (the agency that certifies nursing facilities for participation in the Iowa Medicaid program). The funds collected are to be applied to the protection of the health or property of the residents of the facilities determined to be out of compliance.

The Centers for Medicare and Medicaid Services (CMS) has clarified that states may direct collected civil penalty funds to entities other than nursing facilities as long as the funds are used in accordance with the intent of the statute. States may target these resources for projects available through various interested stakeholders, such as nursing facilities, consumer groups, professional nursing home associations, ombudsmen, and quality improvement organizations.

In response 441 Iowa Administrative Code 81 was revised and 441 Iowa Administrative Code Chapter 166 was adopted. Under the amended rules, nursing facilities and other stakeholder groups may apply for a Quality Improvement Initiative Grant in any year in which the department sets aside money for this purpose.

Requirements for Grant Awards

Grants are available only for quality improvement initiatives that are outside the scope of normal operations for the nursing facility or other applicant. Grants cannot be used as replacement funding for goods or services that the applicant already offers.

The applicant must be able to identify:

- a) Areas in need of improvement, including staff education or training needs not available through current corporate or facility contract employment; and

- b) Efficient uses of the quality improvement initiative grant to improve the quality of life or quality of care of nursing facility residents.

Due to the late date of this notice, for state fiscal year 2011 Quality Improvement Initiative Grant Applications will be accepted through June 15, 2011.

Submission of Grant Applications

Interested qualified parties wishing to apply may access the applications electronically through the Iowa Medicaid Enterprise Web site at:

<http://www.ime.state.ia.us/Providers/Forms.html>

All applications must be typed using the electronic application form included with this Grant Application Request. Applications should be mailed to:

**DHS, IME
Bureau of Long Term Care
Attn: NF Program Manager
100 Army Post Road
Des Moines, Iowa 50315**

Grant Awards

Grants will be awarded beginning July 1 of each calendar year in which grant funds are available. A grant award review committee appointed by the State Medicaid Director shall review and evaluate all complete grant applications received by the deadline for submission.

Grants for approved applications shall be awarded through a contract entered into by the department and the applicant. Grant funds shall be distributed pursuant to contractual obligations.

Note: All grant awards are subject to final approval by the Centers for Medicaid and Medicare Services (CMS)

Written Questions

Applicants may submit written questions regarding this announcement. Any ambiguity regarding this announcement shall be addressed through the question and answer process. Questions must be emailed to the Issuing Officer. Please submit written questions to dgookin@dhs.state.ia.us.